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001 # 0959-67

3 March 1967

MEMORANDUM

SUBJECT: Allegations of Corruption Directed at Philippine President and Mrs. Marcos

1. There is no apparent foundation for the charges of illegal or shady practices that have recently begun to circulate in Manila concerning President Marcos and his wife. The charges may be motivated in part by disillusionment over the administration's failure thus far to achieve substantial progress in solving the country's severe social and economic problems.

2. Marcos was the object of an intense and vitriolic attack on his personal integrity during his election campaign in late 1965. While the charges of his misdeeds were myriad, ranging from illegal land-grabs to murder, nothing was ever proved. [redacted] has never turned up any hard evidence of illegal dealings despite a variety of such allegations during Marcos' 16 year tenure in Congress.

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3. Charges of presidential corruption can be expected to increase as the off-year election in November draws closer. Corruption and graft have been major themes in each electoral campaign. Since independence, Filipinos, however, take a somewhat cynical view of their officials' use of public office to further their personal fortunes. Indeed, there is a tradition bound up with the extended family system which expects a successful person to use his eminence to his relatives' advantage.

4. Despite the lack of evidence that President and Mrs. Marcos are personally involved in any illegal financial activities, it is possible that members of the extended families of the President and his wife are unethically taking advantage of their relatives' position without their consent or even without their knowledge.

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